

**STATE, FOREIGN OPERATIONS, AND RELATED  
PROGRAMS APPROPRIATIONS FOR FISCAL  
YEAR 2007**

---

**TUESDAY, MARCH 28, 2006**

U.S. SENATE,  
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,  
*Washington, DC.*

The subcommittee met, at 2:17 p.m., in room SD-138, Dirksen Senate Office Building, Hon. Mitch McConnell (chairman) presiding.

Present: Senators McConnell, Bond, Bennett, Brownback, Leahy, and Durbin.

DEPARTMENT OF STATE

OFFICE OF THE SECRETARY

**STATEMENT OF HON. CONDOLEEZZA RICE, SECRETARY OF STATE**

OPENING STATEMENT OF SENATOR MITCH MC CONNELL

Senator McCONNELL. The hearing will come to order.

Madam Secretary, I apologize for holding you up. Today's hearing will examine the fiscal 2007 budget request for your Department and Foreign Operations, and affords us an opportunity to learn more about transformational diplomacy and foreign assistance reform. I expect there will also be a question or two on matters falling under the subcommittee's jurisdiction regarding the fiscal 2006 supplemental request.

My opening statement will be brief. The President's request totals \$33.8 billion, \$23.7 billion in Foreign Operations and \$10.1 billion in State Department operations and related programs. This represents an increase of \$2.8 billion and \$600 million respectively above last year's enacted levels. As in previous years, significant resources are targeted toward the Middle East, the Millennium Challenge Corporation, and combating HIV/AIDS.

The President is to be commended for his commitment to advancing democracy worldwide, as reflected in the National Security Strategy and through his words and deeds. According to the Office of Management and Budget, the fiscal year 2007 request includes \$1.7 billion for democracy, governance, and human rights programs, an increase of \$400 million above the fiscal 2006 estimated levels. As this subcommittee has long been a strong supporter of democracy abroad, most recently demonstrated in the creation of a new Democracy Fund account in the bill last year, it would be help-

ful to hear your views on why democracy promotion is such a priority to this administration. Is there a connection between good governance and poverty alleviation? What role do democracy programs play in the war against terrorism? Should more activities be targeted toward Asia and the former Soviet Union, where countries like Belarus and Russia seem to be heading in the wrong direction?

As you were recently in Southeast Asia, I would appreciate hearing more about your trip, particularly any insights you may have with regard to the Burma problem. Let me also state for the record that I recognize your strong support for the struggle for freedom in Burma and the aggressive efforts of the State Department to encourage other governments to take that posture as well and to support Aung San Suu Kyi's cause.

I am hopeful that the administration can again urge the United Nations Security Council to debate the security threat Burma poses to the region. This year we need a formal debate and a resolution on Burma at the United Nations.

Let me close by reiterating my concern with terrorism in Southeast Asia. I note that the request includes \$32 million in military assistance for countries in that region, a decrease of \$6 million below the previous fiscal year, and \$9.8 million for military training programs. While I support the increase in military aid to Indonesia, whose democratic achievements since 1998 have been remarkable, I hope you will clarify the \$12 million cut to the Philippines. Many of us remain concerned with the ongoing conflict in the southern Philippines.

Again, Madam Secretary, thank you for being here. Let me turn to Senator Leahy and then we will get right to your statement.

#### OPENING STATEMENT OF SENATOR PATRICK J. LEAHY

Senator LEAHY. Thank you, Mr. Chairman.

Madam Secretary, always good to have you here. This is probably the first and last time we are going to hear from you on the fiscal year 2007 budget request until we get our 302(b) allocation and our bill is on the floor of the Senate. At that time the game is pretty much over because we usually lose ground in conference with the House. Programs that are important to you and to us are cut further.

These hearings are useful, but I think you and the State Department could mount a far more effective effort. You have allies with Senator McConnell and myself, but there are many people who are not allies, and we have to convince them, too. Now, I believe your transformational diplomacy initiative has much to recommend it. We discussed this before. I commend you for it. But I think the funds requested fall short of what you need.

It is one thing to deploy your staff more strategically and plan and coordinate foreign aid programs effectively. I think that is important. But I think "transformational" suggests something more far reaching.

This budget cuts many of USAID's core programs to promote democracy and fight poverty. It is true that in the aggregate it represents an increase, but that's only because of funding for AIDS and the Millennium Challenge Corporation. We are providing hundreds of millions of dollars to the Millennium Challenge Corpora-

tion, but a lot of that goes to tiny countries which really do not have any significant security importance to the United States.

But in doing that, again the money—it is a rob Peter to pay Paul thing. You cut programs that have bipartisan support, proven results and that fund everything from girls education to providing clean water and improving agriculture.

It is going to be a difficult year for this subcommittee. You will not find two stronger supporters than the chairman and myself, but a lot of domestic programs are being cut this year and it is going to be hard to say why we have to put more into foreign aid. You have to convince the chairman and ranking members of the House and Senate Appropriations Committees.

I have some other concerns which are not only related to appropriations. There is the image and the reputation of the United States, which has obvious importance to our security. After 9/11 we had almost all of the countries in the world, with two or three exceptions, behind us, an outpouring of sympathy from every corner of the globe. Now we are seen by an alarming and growing number of people as an aggressive, occupying bully who locks up innocent people indefinitely, humiliates and physically abuses them, and denies them the right to even know what they are accused of.

We get regular reports of Iraqi civilians, including women and young children, who have been mistakenly killed by U.S. soldiers. We spend billions on grossly overpriced reconstruction projects that are poorly designed, may never get finished, but have made some U.S. contractors rich. That does not make us safer, especially when we are such a good and generous country.

Then there is U.N. peacekeeping. The United Nations is operating 18 different peacekeeping missions. One of them, in the Democratic Republic of the Congo, is trying to provide security for the first democratic elections in a half a century. At the same time, it is coping with armed militias and every possible logistical challenge in a destitute country the size of Western Europe, but one with virtually no infrastructure. That is just one example.

Darfur will be next. It involves similar challenges and costs. We vote to send U.N. peacekeepers to some of the world's most dangerous places, but then we underfund these missions. I might point out that, in underfunding them, they together cost in a year less than our military spends in a week in Iraq.

#### PREPARED STATEMENT

It is time for us and the other nations who do not contribute troops to support these missions the way we would expect our own soldiers to be supported.

I will put the rest of my statement in the record. I look forward to hearing from you and I have already discussed with you a couple of the questions I will ask.

#### PREPARED STATEMENT OF SENATOR PATRICK J. LEAHY

Madam Secretary, thank you for being here. This is be the first and last time we hear from you on your fiscal year 2007 budget request, until after we receive our 302b allocation and our bill is on the floor of the Senate. At that point the game is pretty much over since we usually lose ground in conference with House, when programs that are important to you and to us are cut further.

Hearings like this are useful, but they are far from sufficient. You need to mount a far more effective effort than you have in the past to get the funding you need, because the party in the Majority in Congress, with the exception of a few allies like Chairman McConnell, will want to cut your budget.

While I believe your transformational diplomacy initiative has much to recommend it—and I commend you for it—I am afraid that the amount of funds you are requesting falls far short of what you would need to implement it effectively.

It is one thing if all you hope to do is deploy your staff more strategically and plan and coordinate foreign aid programs effectively. But to me, “transformational” suggests something significantly more far reaching.

This budget, contrary to the President’s promise, cuts many of USAID’s core programs to promote democracy and fight poverty. It is true that in the aggregate what you propose represents an increase, but that is only because of funding for AIDS and the Millennium Challenge Corporation.

While we are providing hundreds of millions of dollars from the MCC to tiny countries with little if any foreign policy or security importance to the United States, you would cut funds for programs that have bipartisan support, proven results, and that fund everything from girls’ education to providing clean water and improving agriculture.

Chairman McConnell and I are among your strongest supporters here, but with the cuts the President is proposing to so many domestic programs this is going to be a very difficult year for this subcommittee.

You may have big plans, you may have great policies. But if you don’t have the funds to implement them they won’t amount to much. They certainly won’t be transformational. Unless you can convince the Chairmen and Ranking Members of the House and Senate Appropriations Committees, much of what you hope to do will not be possible. I want to mention a few issues of special concern to me, and I will have questions on other topics as well:

—First, is the image and reputation of the United States, which has obvious importance to our security. After 9/11 there was an outpouring of sympathy from every corner of the globe. Today, we are seen by alarming numbers of people as an aggressive, occupying bully that locks up innocent people indefinitely, humiliates and physically abuses them, and denies them the right to even know what they are accused of.

We get regular reports of Iraqi civilians, including women and young children, who have been mistakenly killed by U.S. soldiers. We have spent billions on grossly over-priced reconstruction projects that were poorly designed and may never get finished, but which made U.S. contractors rich. This is not making us safer.

—Second, is U.N. peacekeeping. The United Nations is operating 18 different peacekeeping missions. One of them, in the Democratic Republic of the Congo, is trying to provide security for the first democratic elections in half a century, while it copes with armed militias and every possible logistical challenge in a destitute country the size of Western Europe with virtually no infrastructure. This is just one example. Darfur may be next, and it will involve similar challenges and costs.

Yet while the Administration votes to send U.N. peacekeepers to some of the world’s most dangerous places, we under-fund these missions which together cost in a year less than our military spends in a week in Iraq. It is time for us and the other nations who don’t contribute any troops, to support these missions the way we would expect our own soldiers to be supported. Yet, again, your budget does not do that, and it is going to cause serious problems.

—Third, is Latin America. It has been sorely neglected by this Administration, despite protestations by State Department and White House officials to the contrary. Senator DeWine has noted it. Senator Coleman has noted it. There is no end to the interests we share with our southern neighbors—immigration being just one—and yet your programs and policies are a mere shadow of what they should be. It is a missed opportunity and this budget continues business as usual.

Madam Secretary, I voted for you because I felt you have the qualities to do a good job. I know you are trying and I think you have outstanding people here and in our missions around the world. But I have to say I think the foreign policies of this Administration have too often been misguided and harmful to our national interests.

I am sure you disagree, but I do not believe this country is safer because of these policies, and I do not believe the budget you are here to support is nearly adequate to protect our interests in today’s increasingly divisive and dangerous world.

Senator McCONNELL. Madam Secretary, I assume you have a prepared statement. If you do, we will make that a part of the record, you can make some observations, and then we will go to questions.

SUMMARY STATEMENT OF HON. CONDOLEEZZA RICE

Secretary RICE. Thank you very much, Mr. Chairman, Senator Leahy. I thank you very much for this opportunity. I will ask to enter my entire statement into the record, but I will just make a few comments so that we may have ample time for discussion and questions.

I do want to thank the members of this committee for the tremendous support that you have given to our need to support our men and women who practice diplomacy. The funding requested by the President for the State Department and for foreign operations, of course, does more than just support diplomacy, because it is really strengthening our national security. The challenges that we face are of course sometimes military, but overwhelmingly they are political and economic, and they are a matter of helping to create a cadre of states that are well governed and that are democratic.

America is of course a Nation at war and we are engaged in a conflict against terrorists and violent extremists. Across the world our Nation's men and women in uniform and the members of the foreign and civil supervisor, as well as our foreign service nationals, are shouldering great risks and responsibilities in advancing America's diplomatic mission, working in dangerous places far away from friends and family and loved ones. They are performing with courage and fortitude and heroism, and I would just like to take this opportunity to honor them, particularly those who have given their lives, and to recognize the courageous public servants and their families who endure long times of service abroad.

Mr. Chairman, the President's budget is in support of a number of core missions: first of all, of course, to defeat the extremism and terrorism that we face in the world. You will see that there is support for coalition partners and for front-line states that are literally on the front lines against terrorists. But of course we know that it is not enough to have a short-term solution to terrorism, that is defeating the terrorists who on a daily basis plot and plan to destroy innocent life, but also to deal with the creation—with the circumstances that created those terrorists. We believe that the ideology of hatred which they espouse can only be met by advancing liberty and democracy. That is the goal that we have in the support for the young democracies of Iraq and Afghanistan, for a broader Middle East initiative that seeks to press authoritarian regimes throughout a region that for 60 years has had an absence of freedom, to press for change in that region. Change is coming. It comes with turbulence, it comes with difficulty, but change in the Middle East is coming.

Of course, our democracy agenda is not limited to the Middle East, but also to continuing to press for the democratization of those places that are still not democratic in Europe. In Asia, you mentioned Burma, Mr. Chairman, and we have been very active in that front, but also to press for change—for the stabilization of de-

mocracy in places that have already had democratic elections, for instance in Latin America.

We face global challenges. HIV/AIDS—the President’s emergency plan for AIDS is to have an effect on those afflicted with AIDS and on those who might be afflicted with AIDS. We fight the counter-drug fight with allies around the world, and of course we have taken on recently the new challenge of the possible pandemic of Avian flu.

Finally, we are engaged in working with transformational states. Those are the states that we believe have the capacity to make a great leap forward. They are states that are very poor, where poverty is still a problem, but where they can be recognized for their democratic tendencies, for their good governance, for their desire to fight corruption. It is really a new paradigm for the delivery of foreign assistance and the President’s Millennium Challenge Account has been a real tool in pressing countries to deal with the kinds of problems that retard development and that retard the development of state capacity, so that American foreign assistance is not simply a crutch, but rather an enabling mechanism for states to one day become independent of foreign assistance and to be able to attract trade and investment, which is after all how states really grow.

Let me say that we have a number of initiatives under way in the Department, what we have called transformational diplomacy, and I would only mention two. That is that we have done a good deal now of global repositioning. We have repositioned 100 people from posts that are, we believe, posts that can afford to have fewer personnel, to reposition them to front-line posts in places like India and China where we really need more people.

We are also requesting more positions, but I just want the committee to know that we have made a commitment that we will also reposition existing resources, that we will not just ask for new resources, that we will indeed make the hard choices about changing our global posture, which still looks more like the 1980s and 1990s than it should in 2006.

Finally, we have also made changes in our foreign assistance under the authorities that are granted to me for the direction of foreign assistance, with the creation of a post in the Department which will help us to better align the programs of USAID and the State Department. That is about 80 percent of all foreign assistance. We believe that, with this program, which I have asked Randy Tobias to take on, and should he be confirmed by the Senate he would also be the USAID Administrator—the point here is to make sure that we make the best use of the very precious resources that we are given.

#### PREPARED STATEMENT

We recognize that the American people have been generous in their support of the diplomatic mission, of foreign assistance. We recognize that the American people want to be generous because we are compassionate when we look to helping developing societies, when we deal with humanitarian crises. But we also recognize that we have an obligation of stewardship and efficient use of those re-

sources, and we believe that this new structure should give us better opportunity to do so.

Thank you very much, Mr. Chairman.  
[The statement follows:]

PREPARED STATEMENT OF HON. CONDOLEEZZA RICE

Chairman McConnell, ranking member Leahy, members of the Subcommittee, thank you for the opportunity to present the President's fiscal year 2007 budget for State Department, Foreign Operations, and Related Programs and agencies. I appreciate this opportunity to address the members of the subcommittee and to talk about America's role in meeting the unprecedented challenges of our world today. I look forward to working closely with Congress to ensure that America's diplomacy has the necessary resources to secure our interests, advance our ideals, and improve people's lives around the world. In all of these mutual efforts, of course, we must remain committed to our responsibility to be good stewards of the American taxpayers' hard-earned dollars.

The President's fiscal year 2007 International Affairs Budget for the Foreign Assistance Programs, Department of State Operations, USAID and other foreign affairs agencies totals \$35.116 billion. This total includes \$23.72 billion for Foreign Operations and \$10.078 billion for State Operations, as well as \$1.317 billion in Public Law 480 Food Aid, and reflects a funding increase of \$3.539 billion from the level appropriated last year.

As I did last year, I want to emphasize that it is important to maintain a balance of resources between State operations and foreign assistance. The diplomatic platforms that we have—our people, our ability to operate in the field, our facilities—are the platforms from which we conduct our diplomacy and we are especially concerned that our people have the training, technology and facilities that they need, all with the requisite security. These vital components are necessary to the success of our diplomatic efforts and foreign assistance programs.

Additionally, I would like to take this opportunity to encourage the members of this committee to continue to provide their full support and leadership in passing the fiscal year 2006 Emergency Supplemental request that is before you now. This urgently needed funding will support immediate political, economic, humanitarian, and operational requirements that will allow us to meet new challenges—and seize new opportunities—to build a better, safer, and freer world.

Mr. Chairman, the funding requested by the President for State Department and Foreign Operations will do more than support our diplomacy; it will strengthen our national security. America is a Nation at war. We are engaged in a conflict against terrorists and violent extremists. Across the world, our Nation's men and women in uniform and the members of our Foreign and Civil Service, as well as our Foreign Service Nationals, are shouldering great risks and responsibilities advancing America's diplomatic mission—often working in dangerous places far away from their friends and loved ones. They are performing with courage, fortitude and heroism. Today, I want to honor those who have given their lives in this cause and to recognize the courageous public servants and their families who endure long periods of service abroad.

America's enemies remain eager to strike us, but our actions in the past 4 years have weakened their capability. Our diplomacy plays a vital role in defeating this threat. We are building partnerships with traditional allies and with new partners that share our perception of the threat. Most importantly, we are working directly with foreign citizens who wish to build thriving free societies that embrace democratic values and freedoms.

This is indeed an extraordinary period. It is a time that is unlike any other since perhaps the end of World War II, when the United States took on the mantle of creating a stable and democratic Europe. Europe at that time was weak and divided. Today it is free and at peace. We learned from that experience that if we are faithful to our democratic values we are safer and more secure. When democracy and freedom are in retreat, we are more vulnerable, which we learned in a very graphic and painful way on September 11, 2001.

The President has said that the only way to deal with the ideologies of hatred that we face in the world today is to present the world with the antidote, which is the spread of liberty and freedom. The men and women of our diplomatic service work daily in this cause. In his Second Inaugural Address, President Bush laid out the vision for American leadership in the world today: "[I]t is the policy of the United States to seek and support the growth of democratic movements and institutions in every nation and culture, with the ultimate goal of ending tyranny in our

world.” The President’s vision stems from the recognition that we are living in a time of extraordinary change, where the prospect of violent conflict among great powers is more remote than ever. Nations are increasingly competing and cooperating in peace, not preparing for war. Democratic reform has begun in the Middle East. The United States is working with our democratic partners in every region of the world to build global stability through a balance of power that favors freedom and advances liberty.

At the same time, other challenges have assumed new urgency. The greatest threats today emerge more within states than between them, and the fundamental character of regimes matters more than the international distribution of power. It is impossible to draw neat, clear lines between our security interests, our development goals, and our democratic ideals in the world today. Our diplomacy must integrate and advance all of these goals, through a strategy that is rooted in partnership, not paternalism—in doing things with people, not for them. This is the objective of our diplomatic efforts today and in the future.

#### TRANSFORMATIONAL DIPLOMACY

Mr. Chairman, the 2007 budget represents what we call transformational diplomacy. The objective of transformational diplomacy is to work with our many partners around the world to build and sustain democratic, well-governed states that will respond to the needs of their people and conduct themselves responsibly in the international system.

We must transform old diplomatic institutions to serve new diplomatic purposes, and we must empower our people to practice transformational diplomacy. With the generous support of the Congress, my good friend and predecessor, Colin Powell, brought American diplomacy into the 21st century. Now, my leadership team and I are building on this strong foundation and beginning the generational work of transforming the State Department and USAID. This will not only strengthen national security, it will improve our fiscal stewardship. We are committed to using American taxpayers’ dollars in the most effective and responsible way to strengthen America’s mission abroad.

In the past year, we have begun making changes to our organization and our operations that will enable us to advance transformational diplomacy. We are forward-deploying our people to the cities, countries, and regions where they are needed most. We are starting to move hundreds of diplomats from Europe and Washington to strategic countries like China, India, South Africa, and Indonesia. We are supplying our people with additional training and language skills in order to engage more effectively with foreign peoples. Our national security depends, in part, on the ability of American diplomats to speak and master critical foreign languages. We must improve our communication skills in critical foreign languages such as Arabic, Farsi, Mandarin, Hindi, and Urdu to promote our national security, foster greater economic integration, and further the agenda of freedom. Consistent with our language and education initiative, the President’s fiscal year 2007 budget includes proposals to manage for results. We are enabling our diplomats to work more closely with America’s servicemen and women creating the most cohesive and unified diplomatic team in our history.

To ensure better coordination of our financial resources I have announced the creation of the new position of Director of Foreign Assistance. This essential reform will sharpen our capability to use foreign assistance more efficiently and effectively to: further our foreign policy goals; bolster our national security; encourage prosperous, democratic and lawful societies that join us in overcoming the forces of terror; reduce poverty; and improve people’s lives around the world.

We are making these initial changes using our existing authority. The additional funding we are requesting in the fiscal year 2007 budget will help us to implement our vision to transform the State Department to meet the challenges of the 21st century. For this purpose, we are requesting \$9.3 billion for State Department operations. Transformational diplomacy begins by ensuring that our people are in the right places, with the necessary tools and training to carry their mission. We are requesting \$23 million for 100 new positions on the new frontlines of our diplomacy: key transitional countries and emerging nations in Africa, Latin America, the Middle East, and Asia. These new positions will complement the 100 positions that we are already moving as part of our ongoing effort to best balance our global diplomatic posture. This repositioning effort will require a renewed commitment to secure and to modernize many posts overseas, and we are seeking \$1.5 billion for security-related construction and rehabilitation of our diplomatic facilities.

More and more, we are calling on our diplomats to leave their families and serve overseas in unaccompanied assignments, or “hardship posts”. With your help, as



part of our effort to modernize the Foreign Service, we will institute a new pay-for-performance system that fairly compensates our men and women working abroad. New training will also make full use of dynamic new technologies, and we are asking for \$276 million to provide for our workforce the latest information technology and to support professional training needed for success.

These new tools and training will better enable our Nation's diplomats to tell America's story to the people of the world, and in turn, to listen to the stories they have to tell. We have heard the legitimate criticisms that have been made of our public diplomacy, and we are re-engineering how we do business. I have stressed that public diplomacy is the responsibility of every single member of our diplomatic corps, not just our public diplomacy specialists. We are creating forward-deployed, regional public diplomacy centers. These centers, or media hubs, will be small, lean operations that work out of our embassies or other existing facilities, enabling us to respond quickly to negative propaganda, to correct misinformation, and to explain America's policies and principles. The \$351 million that we seek will be essential to continue to revitalize our public diplomacy.

To complement our public diplomacy, we must ensure that America remains a welcoming place for tourists, students, and businesspeople, while at the same time protecting our homeland from terrorists and criminals who would exploit our open society to do us harm. The State Department, in partnership with the Department of Homeland Security, has taken new steps in the past year to realize the President's vision of secure borders and open doors. Our request of \$1.1 billion will fund the Border Security Program and enable us to hire 135 new consular officers and passport staff to meet the growing demand of foreign citizens seeking to travel to America, while maintaining its fundamental commitment to serve each and every American citizen who travels abroad. At the same time, we are seeking \$474 million to support educational and cultural exchanges, which increase mutual understanding between our citizens and the peoples of the world.

Finally, we must continue to enable our Nation's diplomats to work effectively with our partners in the United Nations and other international organizations. The United States takes its international obligations seriously, and we remain committed to strengthening the financial stability, efficiency, and effectiveness of international organizations. We seek \$1.6 billion to fund assessed and voluntary contributions to international organizations.

Mr. Chairman and members of the subcommittee, America's purpose in this young century is to fuse our democratic principles with our dramatic power to build a more hopeful world. Our purposes are idealistic, but our policies are realistic. The men and women of the State Department have risen to the challenge of transformational diplomacy with enthusiasm and courage and are helping our partners around the world to build a future of freedom, democracy, and hope.

Realizing the goals of transformational diplomacy will require a sustained effort over the course of a generation. Most importantly, it will require a strong partnership with the Congress. We will do our part to use our existing authority to make foreign assistance more effective and to enhance our ability to serve as responsible stewards of the American taxpayers' money. Our goal in establishing the new position of Director of Foreign Assistance is a first step. We welcome a dialogue with Congress about how we can work together to improve further America's foreign assistance, enabling us to respond more quickly and more effectively to the world's development challenges.

#### DEFEATING TERROR

When we speak about the Global War on Terrorism, we first think of what our military is doing in the mountains of Afghanistan or the towns and cities of Iraq. But we also need to think of the important role of our foreign assistance and diplomatic presence in places beyond Afghanistan and Iraq and in the array of states that are now fighting side-by-side with us in the Global War on Terrorism. As they are supporting us, we need to support them. In this budget we are requesting \$6.2 billion to strengthen the coalition partners who are standing shoulder to shoulder with us on the front lines in the fight against terrorism. Our assistance empowers our partners to practice more effective law enforcement, police their borders, gather and share essential intelligence, and wage more successful counterterrorism operations. In many nations, our assistance will also help to bolster thriving democratic and economic institutions reducing the societal divisions that terrorists exploit for their own ideological purposes. Our fiscal year 2007 request includes \$739 million for Pakistan, \$560 million for Colombia, \$154 million for Indonesia, \$457 million for Jordan, and \$335 million for Kenya.

Essential to winning the war on terrorism is denying our enemies the weapons of mass destruction that they seek. We must develop new tools for counter-proliferation to confront and dismantle the networks involving rogue states, outlaw scientists, and black market middlemen who make proliferation possible. We are building on the achievements of the Proliferation Security Initiative, the G-8 Global Partnership, and U.N. Security Council Resolution 1540. We are working to stop Iran and North Korea from succeeding in their quest for weapons of mass destruction, and we continue to do everything in our power to deny terrorists access to the world's most dangerous weapons, including conventional weapons like MANPADS. The fiscal year 2007 budget proposes to increase funding for the State Department's efforts to help countries counter the proliferation of dangerous weapons and materials.

#### ADVANCING LIBERTY AND DEMOCRACY

In December over 12 million Iraqi people voted in free elections for a democratic government based on a constitution that Iraqis wrote and adopted. Iraq is on a track of transformation from brutal tyranny to a self-reliant emerging democracy that is working to better the lives of its people and defeat violent extremists. The President's request of \$771 million, along with the supplemental request, is an essential part of our National Strategy for Victory in Iraq. The funding for the Department's operations and programs is a critical counterpart to the efforts of our troops in the field as we pursue integrated security, economic, and political tracks to success in Iraq. The supplemental request will fund programs that are integral to our counter-insurgency campaign and to the operation and security of our diplomatic mission, while the fiscal year 2007 request supports capacity development essential for Iraq's transition to self-reliance.

Our work also continues in Afghanistan. Four years after the United States, along with our Afghan allies and others, removed the Taliban regime, the Afghan people have established a democratic government. Millions of men and women have voted freely for the first time. Today, Afghanistan has a democratic constitution, an emerging free economy, and a growing, multi-ethnic army. Despite this dramatic progress, there is still much hard work to be done. The President's request of \$1.1 billion for Afghan reconstruction, along with supplemental funding, will allow us to continue working with the people of Afghanistan to meet the remaining political, economic, and security challenges they face.

The people of Iraq and Afghanistan are helping to lead the transformation of the Broader Middle East from despotism to democracy. This is a generational challenge. Elections are an important and necessary beginning and the freedom to choose invests citizens in the future of their countries. But one election does not complete the fulfillment of democracy. Successful democracies are characterized by transparent, accountable institutions of governance; a thriving civil society that respects and protects minority rights; a free media; opportunities for health and education; and the renunciation of terrorism and ideologies of hatred. On this last point especially, we will continue to insist that the leaders of Hamas agree to the conditions of the quartet to reject terrorism and work toward peace with Israel.

Helping the nations of the broader Middle East to make progress in building the foundations of democratic societies is the mission of the Middle East Partnership Initiative, for which we are seeking \$120 million. We are also requesting \$80 million for the National Endowment for Democracy to continue its work in promoting lasting democratic change around the world.

Progress in the broader Middle East offers hope, but the region still faces determined enemies, especially the radical regime in Tehran. Through its aggressive and confrontational behavior, Iran is increasingly isolating itself from the international community. In recent months, our diplomacy has broadened the international coalition to address Iran's nuclear ambitions. This issue is now before the U.N. Security Council.

The Iranian people should know that the United States fully supports their aspirations for a freer, better future, which is why the President requested \$75 million in supplemental funding for democracy promotion activities. As we aim to isolate the government of Iran because of its defiance of the international community over its nuclear program, it is all the more important that we make clear to the Iranian people our commitment to their well-being. The funds we are requesting in the supplemental will enable us to expand considerably our direct communication with the Iranian people through public diplomacy, educational and cultural exchanges, and expanded broadcasting.

## MEETING GLOBAL CHALLENGES

Like terrorism and nuclear proliferation, many other challenges in today's world are global and transnational in nature. These threats breach all borders and affect all nations. Today's global threats require global partnerships, and America's diplomats are helping to transform our relationships with countries that have the capacity and the will to address shared global problems.

One major global threat comes from disease, especially the scourge of HIV/AIDS. This pandemic affects key productive members of society: the individuals who drive economies, raise children, and pass on the customs and traditions of their countries. The United States is committed to treating people worldwide who suffer from AIDS because conscience demands it, and also because a healthier world is a safer world. The hallmark of our approach is the President's Emergency Plan for AIDS Relief.

The Emergency Plan is rooted in partnership. Our approach is to empower each nation to take ownership of the fight against HIV/AIDS through prevention, treatment, and care. The results to date have been remarkable. In the past two years, the Emergency Plan has expanded life-extending antiretroviral treatment to 471,000 people worldwide, 400,000 of whom are located in sub-Saharan Africa. As of last year, the Emergency Plan has extended care to more than 1.2 million orphans and vulnerable children. The President's 2007 Budget requests \$4 billion, \$740 million more than the current year, to continue American leadership in the global fight against HIV/AIDS. Additionally, the 2007 budget includes \$225 million to fight malaria, which is a major killer of children in sub-Saharan Africa. These funds respond to a pledge to increase United States funding of malaria prevention and treatment by more than \$1.2 billion over five years.

The United States is also playing a key global role in preparing for the threat of a possible avian influenza pandemic by providing political leadership, technical expertise, and significant resources. The most effective way to protect the American population from an influenza outbreak abroad is to contain it beyond our borders. The 2007 budget provides resources to continue these activities in countries already experiencing outbreaks of influenza and in other countries on the cusp of infection.

Another key global challenge is to curtail the illicit drug trade and to dissolve the relationships between narcotic-traffickers, terrorists, and international criminal organizations. The 2007 budget requests \$722 million for the Andean Counterdrug Initiative, which advances the President's goal of strengthening democracy, regional stability, and economic development throughout the hemisphere. The Initiative provides funding for law enforcement, security programs, and alternative livelihood assistance for those at risk from the trade of illicit narcotics.

The United States remains the world's most generous provider of food and other emergency humanitarian assistance. We are also helping refugees to return to their countries of origin. Where that is not a viable option, the United States leads the international community in resettling refugees here in the United States. The fiscal year 2007 request of \$1.2 billion for humanitarian relief, plus \$1.3 billion in food aid, will ensure that we are prepared to extend the reach of American compassion throughout the world.

## BUILDING STATE CAPACITY

Many states cannot meet the basic responsibilities of sovereignty, including just and effective control over their own territory. It is critical to American security to build state capacity where it does not exist, to help weak and poorly governed states to develop, and to empower those states that are embracing political and economic freedom.

We must anticipate and prevent the emergence of failed states that lead to regional instability and which become havens for terror and oppression that threaten America's security. The Office of the Coordinator for Reconstruction and Stabilization has been established to address complex and challenging situations around the globe. The 2007 budget proposes to strengthen planning efforts for countries and regions of greatest concern. We seek to coordinate the deployment of United States resources to prevent the emergence of failed states, and to respond quickly and effectively to states emerging from conflict around the world. With an early and effective response, we can reduce the need for a more robust and costly military commitment. This budget request includes \$75 million for the conflict response fund.

## HELPING DEVELOPING STATES

Where the basic foundations of security, governance, and economic institutions exist, the United States is advancing bold development goals. The President has embarked on the most expansive development agenda since the Marshall Plan, includ-

ing new debt relief initiatives, the doubling of Official Development Assistance since taking office, and performance-based funding for international financial institutions. Development is an integral pillar of our foreign policy. In 2002, the President's National Security Strategy for the first time elevated development to the level of diplomacy and defense, citing it as the third key component of our national security. States that govern justly, invest in their people, and create the conditions for individual and collective prosperity are less likely to produce or harbor terrorists. American diplomacy must advance these development principles.

Our development assistance focuses on building the tools for democratic participation, promoting economic growth, providing for health and education, and addressing security concerns in developing nations, as well as responding to humanitarian disasters. Such investments are crucial to improving the lives of people around the world and enhancing our own national security. We seek to provide the necessary tools and incentives for governments to secure the conditions for the development of free and prosperous societies.

Relieving the burden of heavily indebted countries is essential to ending a destabilizing lend-and-forgive approach to development assistance. At the Gleneagles summit last July, the G-8 agreed on a landmark initiative to provide 100 percent cancellation of qualifying Heavily Indebted Poor Countries' debt obligations to the World Bank, the African Development Bank, and the International Monetary Fund. United States leadership was instrumental in securing this agreement. We estimate that a total of 42 countries will receive up to \$60 billion in debt relief as a result of this initiative. The Budget that I present to you today supports the United States share of the multilateral debt forgiveness provided by the G-8 proposal.

We are also seeking support for our share of the G-8's assistance package for Africa. This package will fight malaria, HIV/AIDS, and corruption and help to create an environment where democracy and economic opportunity can flourish. Specifically, the 2007 budget supports the President's commitment to double assistance to Africa between 2004 and 2010. In addition, the request supports our commitment to help African countries to build trade capacity; to educate their citizens through a \$400 million Africa Education Initiative; and to combat sexual violence and abuse against women through a new Women's Justice and Empowerment Initiative.

Although Africa is a primary focus of our efforts to reduce poverty and invest in people and reform, it is by no means the only continent on which our resources are directed. We seek a total of \$2.7 billion for worldwide Development Assistance and Child Survival and Health funds.

#### EMPOWERING TRANSFORMATIONAL STATES

We also seek to empower those states that are governing justly. The flagship of our efforts is the Millennium Challenge Account, which is helping states that are making measurable progress to achieve sustainable development and integration into the global economy.

In 2002, in Monterrey, Mexico, the nations of the world adopted a new consensus on reducing international poverty. Developed nations agreed to increase their assistance to developing countries, and developing countries committed to making progress toward good governance, economic freedom, and investments in the health and education of their people. In response to this Monterrey Consensus, the Administration and the Congress created the Millennium Challenge Account, which targets new development assistance to countries that meet benchmarks of political, economic, and social development. This innovative approach partners with and invests in low and lower-middle income countries that take ownership of their own economic development.

In the past year, we have accelerated our efforts to negotiate and sign development compacts between transformational countries and the Millennium Challenge Corporation. To date, the MCC has identified 23 countries eligible for development compacts, and has approved compacts worth a total of \$1.5 billion with eight countries: Armenia, Benin, Cape Verde, Georgia, Honduras, Madagascar, Nicaragua, and Vanuatu. Nine eligible countries have prepared proposals totaling \$3.1 billion, and another six will soon submit proposals. We are seeking \$3 billion of new funding in the fiscal year 2007 budget, with the goal of approving up to 10 new compacts.

#### CONCLUSION

Mr. Chairman and members of the subcommittee, realizing the goals of transformational diplomacy will require a sustained effort over the course of a generation. Most importantly, it will require a strong partnership with the Congress. We at the Department of State will do our part to use our existing authority to make our diplomatic initiatives and our foreign assistance programs more effective and to

enhance our ability to serve as responsible stewards of the American taxpayers' money. I look forward to working with the subcommittee.

Senator McCONNELL. Thank you, Madam Secretary.

Even though it is arguably only indirectly related to your budget, I would like to start off with the biggest issue confronting the State Department, the administration, and the country, and that is Iraq. Yesterday, I had in my office a Kentucky soldier who was in Iraq for a year. He left in January. This is a soldier who is completely apolitical, who gave me a report on his own initiative of his observations of what had happened during his year there. He served with a transportation company that was frequently squiring vehicles around the country and had a number of experiences, including 80 IED attacks on his convoys.

During the course of the year his company lost two soldiers. This soldier went on to say that extraordinary progress had been made in Iraq in every aspect that he could witness, and he also expressed his complete and total frustration that nobody in this country seems to know anything about this progress.

I know that there is a tendency to teach in journalism school that only bad news is news, but in a place like Iraq, I find a lot of soldiers completely frustrated by the fact that almost nothing that they are doing is being characterized as good work and almost no visible signs of progress seem to get out.

#### IRAQ

Could you itemize for us some of the progress you see being made? Three successful elections last year; I think everybody thinks that that is a good thing. But what are some of the indicators of progress that are not being written about and therefore not being learned about by Americans here at home?

Secretary RICE. Thank you, Senator McConnell. I would start with the political news because it is indeed very difficult when you see the bombings every day or the violence on TV. It is a harder story to tell of the political progress that is being made. I also recognize that at times it seems that the Iraqis are engaged in argumentation and debate and they cannot get this formed and they cannot get that formed. I would remind people that in fact these are people who are for the first time in their entire history, and really one of the only times in this entire region, that people who are very, very different—Sunnis, Shia, Kurds—sitting down to try and solve their problems politically, not by violence and not by repression.

Of course it is difficult and of course it is contentious. But that is the process of democracy. The forming of a government of national unity, which we have encouraged that they do it as quickly as possible, but it is not surprising when they have existential issues, like resource allocation or how to deal with the Baathists who repressed people in the past, that it is going to be contentious and difficult.

The good news is all elements of Iraqi society are now engaged in that and they are moving ahead. As you said, they have had three elections. The last one, 11 million Iraqis voted. That demonstrates that the Iraqi people want a political course, not a course of violence.

Second, it is true that the reconstruction has in some places been slower than we would have liked. But there is also very good news about reconstruction. The United States has been able with reconstruction funds to improve the capacity of an electrical grid that only had 50 percent of the generating power that the country needed. It was true that Baghdad was getting power most of the day, but most of the country was getting none. Now it is true that the power in Baghdad has been less than at the time of the war, but in part that is because the power is being spread over the entire country. We are increasing the capacity and expect that by the end of the year we would have increased that capacity significantly so that the country will have a more even distribution of power.

Schools and clinics and children going to school are really the result of the reconstruction funds that this Congress has appropriated to the Iraqi people. Probably most importantly, the Iraqi people now on any day recognize that the time will come when there will be a government elected by them governing them, over which they have a say and where repression will not be the case.

I would mention just one other thing and that is that the security forces of Iraq have improved quite substantially over the last year. During this most recent uptick in sectarian violence, the Iraqi army performed very well indeed. The Iraqi army is now often in the lead in counterterrorism operations and in stability operations. They have taken territory. They themselves are in control of 50 percent of the Baghdad area.

We are making progress then in creating security forces, in helping to improve the infrastructure of a country that had a completely deteriorated infrastructure, of getting schools and clinics and hospitals either refurbished or built, and in supporting the Iraqis in a political process that is going to lead to a dramatically different Iraq. That is the good news story against obviously a backdrop of significant violence.

Senator MCCONNELL. So what are the next important milestones that we should expect in the next few months?

Secretary RICE. The next important milestone is the formation of a government, the national unity government. Then we would expect that they will issue a program on which they will govern.

If you do not mind, I will just take one moment to clear up something. I hear a great deal of the time that the Iraqis are slow in forming this government because they are haggling over jobs. That is the way that it is sometimes put. In fact, they are developing a program on which the national unity government would govern. They are developing the rules by which they will actually govern, what will be the responsibilities of the deputy prime minister, what will be the relationship of those ministers to subordinate ministries. And they are working on who will actually take certain positions.

So you can see that it is a much more complicated set of negotiations that they are in than if they were just haggling over who was going to take the prime ministership. That said, we are pressing that they should finish this work as soon as possible. That is the next major milestone, Senator. After that, I think there will be milestones in Iraq security forces taking responsibility for larger and larger pieces of territory in Iraq.

Senator MCCONNELL. What are the Iranians doing in the country and in what way is that impeding progress for the new government?

Secretary RICE. Well, the Iranians are not helpful in the south. We believe that there are indications that they may be supporting troublemakers, militias and the like, in that region. We also are concerned that they are not always transparent in relations with people in Iraq about trying to influence the direction of Iraq.

We believe that—the Iraqis disagree, and we do not disagree, that Iran has to be a good neighbor, that they ought to have a good relationship with Iran. The British, of course, have been concerned that Iranian technology has showed up in some of the IEDs that are so devastating to personnel in Iraq. So there are several elements of Iranian policy that we find deeply troubling.

Should Zal Khalilzad exercise the authority that he has to meet with the Iranian ambassador, an authority he has had for several months, these are some of the issues that we would intend to bring up with Iran in what would be a very limited set of discussions about Iraq.

Senator MCCONNELL. Two more questions before I turn to Senator Leahy. Am I correct that American casualties are substantially down in recent months, and is that—if I am correct—a reflection of just what you were talking about earlier, that the Iraqis are taking on more and more of the burden of being on the point and dealing with the security issues?

Secretary RICE. Senator, the trends are as you noted. Of course, every casualty is one that we mourn, but the trends are in that direction. Some of it may indeed be as a result of the fact that the Iraqis are more on the front line. There are some who believe that the insurgents or the terrorists have also taken a different tactic in who they are actually going after.

But whatever the case, we would hope that as Iraqis step forward more and more that in fact they are going to have to do the brunt of the fighting. That is only as it should be because Iraq is their country.

Senator MCCONNELL. Finally, what did you make of the reports that the Russians were providing information to Saddam Hussein as we began the war?

Secretary RICE. I have gotten my hands on the document, which I wanted to do, and I have talked with the Russian foreign minister and asked them to look into this and to take it very seriously. We take very seriously any implication that someone might have been passing information that endangered the operation at the outset of the war and we will look for an answer back from the Russian Government once, hopefully, they have had a chance to look into it.

Senator MCCONNELL. Senator Leahy.

Senator LEAHY. Thank you.

Will we be able to find out what that answer is?

Secretary RICE. Absolutely. We have wanted not to conclude before we have the discussion, but it is obviously a very serious matter and we are taking it up with the Russians.

## SPECIAL COURT FOR SIERRA LEONE

Senator LEAHY. Madam Secretary, while we were waiting before the hearing began I discussed a matter with which I have a great deal of concern. That is the matter of Charles Taylor. A number of us had urged Nigeria for years to transfer Charles Taylor to the Special Court for Sierra Leone. We asked the State Department for a strategy to get Taylor to the court. We have not got that.

Finally, last week Liberia and Nigeria cleared the way for getting Taylor to the court, which was good news. But then, rather than turn Taylor over, Nigerian President Obasanjo told Liberia to just come and get him. Now we find out according to reports that he has escaped and may no longer be in Nigeria, escaped from the villa where he was sitting and involving himself with matters in a number of countries.

Now, if after all that time he has been sitting there, for all that time nothing happened, finally they said, okay, now we will turn him over, and now they let him escape, that boggles the imagination. It is totally outrageous. President Obasanjo has for years thwarted attempts to get Taylor to a court. I believe he bears responsibility for letting him escape.

I understand he plans to meet with President Bush at the White House tomorrow. I would urge you to cancel that visit, cancel that visit until Taylor is in custody of the court where he belongs. I think it would send the wrong message if he escapes one day and the next day the person who had him in custody and let him escape is greeted at the White House.

Do you want to comment on that?

Secretary RICE. Thank you, Senator. I certainly believe that the Nigerian Government has a responsibility, has a responsibility to transfer Charles Taylor safely to Liberian custody so that he can be brought to the court. I cannot confirm at this point what has happened to Charles Taylor, whether or not he has escaped. But obviously it would be a matter of the utmost seriousness if that did indeed take place.

The Nigerians indeed did take Charles Taylor, at the behest of the international community, but I think there was an understanding that he would be monitored and that he would be at some point, President Obasanjo said when there was a Liberian government, turned over for prosecution on the court, and we were on course for that. If we are no longer on course for that, then we will have to examine why this happened and have consequences accordingly.

Senator LEAHY. You said two things: one, he would be monitored; and second, when there is a government in Liberia he could be turned over. Now, they do have a democratically elected president. She was here just recently visiting, a very impressive person. I think it was known that Taylor was being monitored and he was involved in activities outside Nigerian borders. So the monitoring broke down if there was any monitoring.

So they had a couple strikes against them. One, that broke down. Two, he wasn't turned over. There was a court prepared to take him in Sierra Leone. He could have gone there. Now, if he has escaped, I think after the monitoring failed, after getting him to a



court failed, after keeping him in custody failed, I really think it would be a mistake to have President Obasanjo here with the kind of imprimatur of the United States on that visit that a presidential meeting would bring.

Secretary RICE. We consider it a very serious matter, Senator, if he has indeed escaped, very serious.

Senator LEAHY. Do you agree with me that Charles Taylor is a threat——

Secretary RICE. Absolutely.

Senator LEAHY [continuing]. To security in that region?

Secretary RICE. Absolutely.

Senator LEAHY. Many of us consider him a mass murderer too, for what he did before.

Secretary RICE. I think that it was really the President who at one point when he was in Africa insisted that he step down. We then supported the Liberians to end the violence there, in fact at one point having marines help in ending that violence. We believe now that we have a great deal at stake also in the success of the new Liberian Government.

So I strongly agree with you, Senator, it is a very serious matter.

Senator LEAHY. In that regard, considering what it cost when we did intervene, let us be willing to spend a fraction of that money now to help the new president succeed. Sometimes success is a lot less expensive than trying to clean up the mess afterwards, as you know.

#### WESTERN HEMISPHERE TRAVEL INITIATIVE

The State Department has a program called the Western Hemisphere Travel Initiative that was enacted in the Intelligence Reform Act. This was one of those ideas that kind of zips through without a great deal of debate. Now the Department of State and Homeland Security have to implement it. We are talking about how to control the Canadian border and the Mexican border. It is almost treating them as though they are both the same thing. They are not.

Canada is our largest trading partner. We have got a huge trade surplus with them, which we do not have with many countries. The State Department has a prototype of the card but there is no agreement on what format the card will be. Congress has authorized you to begin hiring staff to meet demand. Homeland Security still cannot figure out what technology it wants to use nor identify what kind of border crossing cards.

The new Canadian Ambassador to the United States, Michael Wilson, strongly opposes the proposed card. I think we are on our way to a real train wreck here. I live an hour's drive from the Canadian border. I see the travel back and forth. I see families that go across. There is a tremendous amount of commerce with the border States.

Your Department has devoted a lot of time to meet the deadline. Are you just going to implement a law and then tell Canada to catch up? Or are you working with Canada? You have a lot of people in Canada who think that they are under attack.

Secretary RICE. Well, Senator, we are working with both Canada and Mexico on this issue. There is a law that requires a standard

document for passage on the two borders and we recognize that these borders are borders on which there is a great deal of commerce, a great number, a lot of people. I can tell you that the first thought was that we would require passports and——

Senator LEAHY. I am sorry? I did not get that.

Secretary RICE. I said the first thought when this law came out was that we would require passports.

Senator LEAHY. Which would be crazy.

Secretary RICE. I was going to say that the first objection to that came from the former Governor of Texas, the President, who said that that would of course not work on borders where people move so easily. So we went—he asked us to go back to the drawing board. We did, and Mike Chertoff and I have worked to come up with an inexpensive but standard card that could be used for passage on those borders.

We are working with both Canada and Mexico. We have gotten favorable response to the initiative that Mike Chertoff and I have taken, and we will try to make it as——

Senator LEAHY. Favorable in Canada?

Secretary RICE. Favorable from—my Canadian counterpart at the time—of course there is a new government in Canada, but my Canadian counterpart at the time and Mexican counterpart understand that we have the law and they want to help us implement it in a way that is as helpful as possible.

Senator LEAHY. You said it is in the law. Has the administration considered delaying this for a while or perhaps look at it again? If a family of four, for example, from Canada is going to have to spend about \$250 to come down and visit the United States, they are not going to come down to the United States to spend money.

Secretary RICE. Well, it is our hope that, Senator, we can have an answer that is in fact inexpensive and that is perhaps a one-time issuance, where people can go back and forth who go back and forth often. I do think that we need to recognize that the law was put there because we did have in fact very porous borders on both sides prior to September 11 and there were a number of problems on both borders, even on the Canadian border, prior to September 11.

Senator LEAHY. There is one store in Vermont with a line painted down the middle because, since they changed the border, half of it is in Canada, half in the United States. Are we going to say, Joe, can you get me that box of Rice Krispies over there? I am sorry, I will toss it to you because I do not have a passport. I mean, it is going to get that ridiculous.

Secretary RICE. Well, we will try to make it as simple as possible for the people, Senator.

Senator MCCONNELL. Thank you, Senator Leahy.

Senator BENNETT.

Senator BENNETT. Thank you very much, Mr. Chairman.

Madam Secretary, welcome. I too have had the recent experience of going to Southeast Asia and I can report that it is fun to go to a country where they like Americans. I was with Senator Durbin in France. We did not quite have that sense while we were there. It is fun to go to countries that not only like Americans, but want

to become like Americans themselves, want to participate in the international economy, and want very much to trade with us.

I congratulate you on the diplomatic efforts of the people we met there. The people you have on the ground there are some of our very finest. We do not often give them the sort of public accolades that they deserve. But the various Ambassadors and other State Department personnel that we met through this trip—we were in China, Vietnam, Cambodia, and Thailand. Then we made a fueling stop in Kyrgistan, which turned into an evening when they were not able to fix the airplane. So we saw more of Kyrgistan than we had anticipated, but that was interesting too.

On a more parochial note, there are several matters from the fiscal 2006 appropriations bill in which my office has an interest. I will not raise them specifically here, but I would like to send you some paper on both of these and would appreciate whatever help you can give us in nudging these things forward a little. They have gotten lost in the pattern.

#### MICROENTERPRISE

You are aware, I am sure, of my continuing support of microenterprise activities. This is something that I pushed since I have been a Senator and particularly since I have been a member of this committee. Can you focus on that for us just a minute as to what is included in the 2007 budget and what you see for that kind of activity?

Secretary RICE. Yes, absolutely, Senator. I can try to break out the numbers for you. I will send you the numbers, but let me just say that we have had a very strong emphasis on microenterprise in a number of places around the world. In Africa in particular, we have had a strong microfinancing, microenterprise approach.

I would note that I have visited personally several places that are, for instance, women-owned businesses, where just a very small loan allows essentially a cooperative of women to get together and make goods that they can sell on the market. We have been very supportive of microenterprise.

I also visited in Mexico very recently—it was actually when I was first Secretary, I think in my first couple of weeks, a trip to Mexico—a place that was not doing microlending, but actually a kind of small credit union that was helping communities to do microlending. So we feel very strongly that, particularly for the empowerment of women, microenterprise tends to be a very important tool that we can use.

We used it, as you know, as well in Eastern Europe. So we have used it effectively all over. The United States has a good deal of this kind of activity, but we have tried to encourage it, not just in the United States but also in the international development banks, to have a focus on microlending, because it really does do wonders and it does so for a very small amount of money.

But I will get for you a breakdown of the complete picture on how much is in this current budget.

Senator BENNETT. I would appreciate that. My experience has been that there are at least some elements in the State Department that are less than enthusiastic about this. I understand the nature. Bureaucrats do not like money they do not control. I have

not run into that during your administration. That comes out of previous efforts on this issue. As I say, I have been interested in it for the last dozen years.

So I would appreciate it if you and your leadership would continue to focus on this. Like you, I have a piece of embroidery in my office purchased from a woman in Morocco, who had I believe a \$50 loan that allowed her to buy the cloth and the thread necessary to produce this. She was working on one when I was in Morocco and I said: Can I buy that from you? She said: No, this one is already sold. So she did another one for me and sent it to me, and I keep it as a memento of how important that program is.

#### UNITED NATIONS

Let us talk about the United Nations. The United Nations has had some rough times. The Oil for Food scandal I do not think has played itself out yet, although we may have most of the problem out as a result of the Volcker report. Secretary Bolton—Ambassador Bolton has been very forceful in insisting on some changes and reforms in the United Nations and at least on the surface U.N. officials have expressed support for these fundamental changes.

Can you describe to us where you think we are on that and whether or not that is going to impact future budgets?

Secretary RICE. Absolutely, Senator. We have been very strong advocates of U.N. reform, and of course there has been complete bipartisan support for pushing that agenda and coming even out of the commission that was headed by Senator Mitchell and Newt Gingrich. It was a very good road map in a sense for a lot that had to go on in the United Nations.

We have had some progress. There are small things, like for instance there is now an ethics office, which one would have thought would have been useful some time ago, but we did finally get that. There is a peace-building commission, which should help with the process of creating peacekeeping forces and the infrastructure of stability support for countries that are going through post-stability operations. We think that is a very—post-conflict operations. We think that is a very useful new element.

As you know, the Human Rights Council, which will replace the Human Rights Commission, we supported very strongly that there should be a replacement for the Human Rights Commission. We did not think that the Human Rights Council quite lived up to what it needed to be. So—

Senator BENNETT. You mean the commission?

Secretary RICE. After the commission—when the Human Rights Council was put forward, the new Human Rights Council—

Senator BENNETT. I see, okay.

Secretary RICE [continuing]. We still thought there were considerable problems with it. So we did not vote for it. It did go through and we have agreed that we will do everything that we can to make it work because we think it is important to have a Human Rights Council.

The problem with the Human Rights Commission was at the time that Sudan was being accused of genocide it was actually sitting on the Human Rights Commission. It makes a joke of the notion of a Human Rights Commission. So we are hopeful that the

new Human Rights Council will be better, although we are concerned about some of the aspects of it.

On management reform, which to us is really the key, that is improving the secretariat and the way that it functions, improving and being able to streamline personnel decisions, being able to create efficiencies in management, and perhaps most importantly, oversight of things like peacekeeping missions, some of which have had some very bad things happen within them, or something like the Oil for Food program.

The secretariat needs to be reformed and there needs to be management reform. We have been the leaders on that. We have been very clear we agreed to a 6-month budget this time because we were not going to agree to an annual budget until these management reform issues are addressed.

So we are working cooperatively, but we have also made very clear that we have to be able to—I have to be able to come to you and say that the American taxpayer dollar is being spent well in the United Nations and that the current structures do not allow us to have the kind of oversight and transparency and accountability that we need. So we will continue to press this reform agenda very hard.

Senator BENNETT. Thank you.

I just close with a comment I just received in a conversation this morning. Senator McConnell talked about his conversation with the GI from Kentucky. A very prominent figure who has experience in this whole area said to me that the new parlor game in Europe, he said, after everybody has had a nice dinner and a few drinks and the uninteresting guests have gone home, they sit around and they play this parlor game, which is: What if, and then you fill in the blank with another country's name, had the power and influence that America has? And they speculate, what would the world be like if, France, Germany, China, India, fill in the blank, had the kind of influence and control that America has.

He said in every case, regardless of how they play it, the result is a disaster compared to the kind of world we have. You have an enormous responsibility, Madam Secretary, for the entire world, not just this country, and we appreciate the competent way in which you handle it.

Secretary RICE. Thank you, sir.

Senator MCCONNELL. Thank you, Senator Bennett.

Senator DURBIN.

Senator DURBIN. Thank you very much, Mr. Chairman.

Madam Secretary, thank you for joining us. Madam Secretary, last year an overwhelming bipartisan majority of the Senate voted 79 to 19 that 2006, this year, would be a year of transition in Iraq; change would take place. The Iraqis would assume more responsibility for their own future. The United States would start looking to the day when we could leave successfully. We would hold the Iraqis responsible for good governance and protecting their own country and the President would report to us on a timely basis the progress that we are making.

Many of our colleagues have just returned from Iraq. They spent the last year there—pardon me, last week there. Some of them came back to our luncheons today with reports that were not en-

couraging. Though it may be true that the number of American soldiers being killed on a daily basis has gone down, the fact is that the killing in Iraq has increased. Some suggest we are in the midst of a civil war, of sectarian violence. This week, of course, American troops were used in an attack with Iraqi soldiers on a Shiite mosque, or at least near a Shiite mosque, involving the Sadr militia.

#### IRAQ

The question I would like to ask you is this. For the last several weeks, the President has been counseling patience to the American people. In fact, last week when the President was asked when the day would come when there would be no U.S. forces in Iraq, he said: "That will be decided by future Presidents," suggesting at least 2.5 more years that we would see American ground troops in Iraq.

Is that not exactly the wrong message to be sending the Iraqis? Should they not at this point in time believe that we plan on leaving, that they have the responsibility to protect their own country? Is not the real test of the success of your policy when Iraqi soldiers will stand and fight and be willing to die for their own country so that American soldiers can come home, a day that we have not seen yet?

Secretary RICE. Thank you, Senator. I do not think there is any doubt that it is the responsibility of the Iraqis to secure their democracy. The United States and the coalition of willing partners liberated Iraq from Saddam Hussein. But I think the Iraqis themselves understand that the creation of a functioning democracy is in fact their responsibility.

What we are there to do is to help them to get the tools and the capability to defend that democracy. They have a very difficult task because it is a country in which, first of all, in which that has never been done, in which the politics was always by either repression or violence. They are now trying, on the basis of the three elections and the constitution, to form structures of government and habits of governance that are indeed democratic and therefore require compromise and politics.

They need our support in doing that. That is the kind of support that Ambassador Zal Khalilzad is giving them. It is the kind of support we intend to give them as we help them to make their ministries more capable, so that their ministries can deliver. It is the kind of support that we intend to give them in helping their provisional leaders to become more capable.

Senator DURBIN. But I guess the point I am asking you is, should they not sense the feeling that I feel as I travel around the State of Illinois? The people I represent are impatient—2,316 of our best and bravest have died. 15,000, 16,000, 17,000 wounded. Should not the Iraqis know that we are not going to stay there forever, sit by patiently while they work out their governmental difficulties? Should they not know that we want to bring our troops home as quickly as possible? When the President says be patient, is that not the wrong message?

Secretary RICE. Senator, I think they do know that we want to come home. Indeed, I think the great majority of them want us to

come home because they want their own responsibility. We are training their security forces. Their security forces are standing up and dying in the line of fire in Iraq. We mourn every one of our own deaths, but Iraqis are dying. They are taking that responsibility.

Many brave Iraqis are dying because they are willing against terrorists to speak out for the need for democracy and for justice, judges for instance who have been killed because they were willing to try people. So the Iraqis are taking responsibility. They just do not have at this point the tools to fully secure themselves.

We have helped other—

Senator DURBIN. For 2 years—go ahead.

Secretary RICE. I am sorry. We have helped other states to have those tools. I think that the patience that the President was referring to is the need to be willing to give them the tools or to help them develop the tools, not the patience to continue to shoulder the responsibility ourselves. I think they are doing it.

I would just suggest on the government formation that we are pressing them that this needs to get done and get done very soon. But they are doing something very difficult. Sunnis were not a part of the political process until very recently and they have now been brought into the political process. They are really dealing with some of the hard issues that they must deal with in order for this government to function.

Senator DURBIN. I would just say, Madam Secretary, we have given them over the past 3 years many things, including a lot of American lives and American soldiers risking their lives, billions of dollars. Support that we have never given to other countries in the past we have given to them. We have stood by them, deposed their dictator, tried to bring them to the point of self-governance.

My suggestion is if this is descending into a civil war, as Mr. Allawi suggested, if we have opened Pandora's box, as our own ambassador, Mr. Khalilzad, has said with the sectarian violence there, that there ought to be a clear message from our Government to their government that now is the time for them to accept responsibility. For 2 years we have been told, we are training soldiers, we are training policemen, things are going along just fine. Yet the American soldiers are still there. The National Guard units are still being rotated into Iraq. The families back home are going through the stress of separation. That still continues to this day.

I just do not sense the feeling in the administration, as we voted in the Senate, that this is truly going to be a year of transition, that we will see American troops coming home. That is why the President's message I think does not make it clear and may send a mixed signal at a time when we should be extremely clear.

Secretary RICE. Senator, the President's message I think, first of all, was to a very particular question. But he has been very clear that we will come home when the Iraqis are capable of performing these functions themselves. I think General Casey has testified that we—it will all be conditions-based, but we anticipate that there can be reductions of American forces.

But I think we have to remember why we are in Iraq. I know that there were disagreements about whether or not it was time to deal with the threat of Saddam Hussein. But by dealing with the

threat of Saddam Hussein, by taking out the most murderous and aggressive dictator in the region, we have helped to create conditions in the Middle East in which it can be a different kind of Middle East, a Middle East in which you are not going to have the kind of ideologies of hatred that led people to fly airplanes into buildings on September 11.

That is a long-term project, is to leave a Middle East to our children and to our grandchildren that is not going to be poisonous in the way that the Middle East is currently poisonous. So I think when we think about what support we are giving to the Iraqis or the Afghans or to the broader Middle East initiative, that we think about it not just in terms of how it will make their lives better, but in terms of how it will make our lives more secure. That is why we are in Iraq.

Senator DURBIN. You mentioned the coalition that came together for the invasion, the coalition of the willing, as the administration called it, primarily the British and others who were supporting us, but the British larger in number than others. That coalition has dwindled, has it not, over the years? It has really become more and more an American force, with few allies actually on the ground risking their lives.

What does that tell us about the world view of what we are trying to achieve in Iraq?

Secretary RICE. Well, in fact the coalition with a few exceptions has stayed relatively stable. We have had troops from as far away as South Korea. The South Koreans just agreed to re-up on their presence there. Poland just agreed to re-up on their presence there. Some forces have been taken out, but the countries have gone to other kinds of missions. For instance, the Dutch, who removed their forces, are now very integrally engaged in the training process for Iraqi forces.

So I think you would find that if you went down the list of coalition members, with a few exceptions, we have lost very few and we have lost almost none in terms of support for the Iraqi enterprise, even if their forces are no longer on the ground.

Senator DURBIN. I do not question that many nations have sent something, and we thank each one of them for doing that. But it clearly is an American undertaking, with the help of some coalition partners, and it has become more American by the day as they have reduced their numbers and our troops have had to stand alone, or, I should say, stand more to themselves and not with the broader coalition that initially started.

I think that is a troubling development. It suggests that if the goals you describe, which sound so good as you speak them, were so clear to the rest of the world, they would be joining us, and they have not.

Secretary RICE. Senator, I just think—and I can get you the numbers, but I think with very few exceptions the numbers of states actually represented on the ground is substantially as it was when we started. The difference is that we are using more Iraqi forces. That has allowed us to rely less on some coalition forces. There are places that are now stable where coalition forces can actually be removed because those places are stable.



But yes, the United States bore, really commensurate with our size and military power, most of the weight of the military operation. Britain of course was the second largest and there have been contingents from others. But I think it is important not just to focus on the numbers. The commitment of all of these countries to actually send their soldiers into harm's way—Japan for the first time since World War II to send its forces from the Asian continent; South Korea, to send its forces into Iraq; small countries like Estonia and Lithuania and Latvia to send their forces into Iraq, because they understand the price of freedom—I think is something we ought to applaud.

Senator DURBIN. Thank you, Madam Secretary.

Senator MCCONNELL. Thank you, Senator Durbin.

Senator Brownback.

Senator BROWNBAC. Thanks, Mr. Chairman.

Welcome, Madam Secretary.

Secretary RICE. Thank you.

Senator BROWNBAC. Glad to see you here and congratulations on a lot of initiatives you have going. You have got a lot of irons in the fire and I am appreciative of them.

#### IRAN

I want to talk about, if I could, Iran and Sudan and Chad, and then finish up on North Korea, just to give you kind of the sequence of things I would like to talk about. First, I appreciate your request for the \$75 million on Iran and democracy-building in the supplemental, the bulk of that request for broadcasting purposes. I wondered if you could outline for us your current state of thinking of how we address the issue of Iran, the lead sponsor of terrorism, the lead state sponsor of terrorism in the world, apparently seeking nuclear technology for weaponizing purposes. I do not know that anybody knows that for sure. But I would appreciate your thinking about how do we go at Iran?

Secretary RICE. Thank you, Senator. I think there is no doubt that Iran is the single biggest threat from a state that we face. As you have put it, it is the fact that they are seeking, we believe, a nuclear weapon, indeed they are seeking—or at least they are seeking under cover of civil nuclear power to acquire the technologies that would make them capable of creating a nuclear weapon. They are the central banker for terrorism in the Middle East and problems in Iraq, problems in Lebanon through Hezbollah, problems in the Palestinian territories through some of the arms that they use of terrorism, and of course it goes without saying an unelected few who repress the aspirations of the Iranian people.

So we have built an international coalition—the diplomacy I think has gone relatively well—to tell the Iranians that they will be isolated from the international community if they continue to seek the weapons, the nuclear activities that they are seeking, that could lead to a weapon.

We need now to broaden that thinking and that coalition, not just to what Iran is doing on the nuclear side, but what they are also doing on terrorism. Those are some of the discussions that I have with these same states, that we cannot on the one hand talk about the need for a peace agreement in the Middle East and turn

a blind eye to what Iran is doing in the Palestinian territories. We cannot talk about getting rid of Syrian influence in Lebanon and having democracy in Lebanon without thinking about what the Iranians are doing for Hezbollah.

So we have a number of tools I think at our disposal, including in sharpening the contradiction between the Iranian people and a regime that does not represent them through our democracy activities, through broadcasting, through support for nongovernmental organizations there, through highlighting the Iranian human rights record, and if necessary within the U.N. Security Council going to other measures that, should the Iranians not turn around on their nuclear effort, going to other measures that would further isolate the Iranian Government.

So we have a full program, but I think diagnosing the problem is the most important, and it is that Iran is a problem not just on the nuclear side, but also concerning terrorism and its human rights record at home.

Senator BROWNBACK. Are you getting cooperation from the Europeans to a fair degree on this? It seems like we are getting a lot more—I hear of a lot more, but I am not seeing the actions by the Europeans.

Secretary RICE. We have been very united with the Europeans on the nuclear issue, completely united. Indeed, we have been able to bring the Russians along to a degree, but we have had to work harder on that and on the Chinese. The Europeans also increasingly note the problems with the Iranian regime. In this regard, the rise of President Ahmadinejad, who talks in very clear, shall I say, ways about the ambitions of the Iranian regime, has made it clearer to allies who thought, I think, that the Iranian regime was just a normal regime whose interests could be accommodated, to really worry about the true nature of the Iranian regime. When you have a president of a country saying that another country should be wiped off the map, that is just not right in civilized company in the diplomatic arena, and I think it has helped crystallize what kind of regime Iran really is.

#### SUDAN AND CHAD

Senator BROWNBACK. I want to speed into other topics quickly. On Sudan and Chad, it looks like the genocide in Sudan is spreading to Chad and many of the same tools being used. I am hopeful that we can get NATO involved in this operation. The United Nations, the African Union has worked some and been somewhat helpful, but it has not stopped it at all, and it appears to be starting back up again.

Do we have a decent chance of getting NATO involved in the Sudan-Chad border area?

Secretary RICE. Well, I think we certainly have a very good probability of getting NATO involved in support of first the African Union mission. NATO is there, as you know, providing some support. But perhaps in a more robust way logistically. One of the problems is mobility for the African Union forces, so you can imagine NATO more helpful on some of the mobility issues so that the monitors can go out to places, which when there is monitoring the violence is less. It is just that it is a very, very big area.

We also expect that when there is a U.N. force, which will be more stable and more capable, that NATO can contribute also to the effectiveness of that force. The President talked with NATO Secretary General Yabu Skeffer when he was here last week. I have also had conversations, Senator, just very recently with the head of the AU and with the Nigerians, who have great influence in the AU, because the AU needs help. Sometimes they send mixed signals about whether they want help because the government of Sudan sends mixed signals.

We are all for a peace process going forward and we are working very hard on that peace process. But we also have to be sure that the violence does not worsen in the meantime. You rightly note that western Darfur, where the troubles in Chad threaten to really create a really bad situation, we have got to deal with that, and we can only deal with that with more robust security forces.

Senator BROWNBACK. Well, I think we are really going to have to step it up. I applaud what the President has done on it, but people are still dying and they are dying now spreading into Chad. I appreciate what you have done. I appreciate particularly what the Assistant Secretary has done, being over there four times. The President is very aware of it. But the genocide continues and it is spreading now into another country. I would really implore you to step it up further.

#### NORTH KOREA

I noted in one of your testimonies recently you were calling for North Korean refugees to be admitted to the United States. Thank you. It is in the North Korean Human Rights Act, to allow that to take place. I talked with Secretary Chertoff about allowing them into the United States. That has been the holdup before, has been the Department of Homeland Security. So I am really hopeful we can.

I think it really would send a strong signal to the North Koreans that we are serious about this and that the human rights issues are at the core of the violations of what this regime has done in North Korea. In 2 weeks we will have a group, a North Korean rally here on Capitol Hill with a number of refugees. I hope, if your schedule would allow it, you or even the President could meet with some of these refugees. They have incredible stories to tell of what they have experienced and the difficulty that they have had.

But I do think us going not just at the nuclear questions on the Six Party Talks, which I think is good and important, but to expand the debate into the human rights area, where the North Koreans are amongst the world's worst, if not the world's worst on human rights violations—and you have got a lot of people coming out now to talk. They can tell real stories about, this is what I experienced there. It would be very useful and an important thing to tell on what this regime is.

Secretary RICE. I agree completely, Senator. We also, as you know, have a human rights envoy in Jay Lufkowitz, who is trying to spread the word also around the world. We think one of the important elements here is to mobilize public opinion internationally about the human rights situation in North Korea.

## AID TO AFRICA

Senator BROWNBACK. We are working on a bill on African aid, mirrored after the malaria effort that the President did last year. When we dug into this topic, we found that about 90 percent of our malaria funding was going to conferences and consultants, and most of the African leadership was saying: We know what to do here; we do not have any money to do it with. So they wanted assistance for bed nets, sprays, drugs, and they said that will really help. The President redirected the funding.

What I have noticed in the African aid area the times I have been there is that we have put millions, billions of dollars into aid in Africa and there are many countries that are worse off today than 20 years ago. A lot of the money is scatter-shot. A lot of the money is spent on conferences and consultants and in capitals, and the problem is outside of the capitals and it is not needed for another building in the capital city.

So I would like to see us—and we are working on this—to go at this approach, where we get, let us say half of the aid that goes to Africa goes for things or training Africans to do things, like doctors or teachers, rather than conferences and consultants. We will be working further with your office on that.

Secretary RICE. Well, thank you, Senator. We will be a willing partner in that, because I think building capabilities, not building dependency, is part of this. I think also making sure that we are getting out and really touching people's lives is very important. Randy Tobias will I think be a focal point for that should he be confirmed.

Senator BROWNBACK. I have already met with him. Thanks.

Senator MCCONNELL. Thank you, Senator Brownback.

Senator Bond.

Senator BOND. Thank you very much, Mr. Chairman.

Madam Secretary, I just returned from meeting with a lot of your people in Seoul, Korea, and in Delhi, in New Delhi. Some of the things just seem to make sense to me, that we ought to be using some of that malaria money for DDT spraying. That would save a whole lot of lives with minimal risk.

But in North Korea the anecdotes we had, I tell my colleague from Kansas, what they told us: They rescued a full-grown man from North Korea who had fallen in the river. They outfitted him—it was easy to outfit him because the full-grown man was 5 foot 1 and weighed 120, because of the near-starvation diets they live on.

They have got a great project, an industrial park, just over the line in North Korea. The stories we hear is that the North Korean Government would be paid \$50 a month for the labor, the laborers, and the laborers may get a whopping \$5 or \$6 a month out of it. That obviously, I concur with Senator Brownback on the extreme problems there.

I want to commend your operations in India. I had a thorough briefing with your USAID Director there and they seem to be doing the proactive things, bringing in all the different resources that are needed to help India with its tremendously overwhelming poverty issue in so many of the rural areas.

One of the things I particularly commend them is their participation in the President's agricultural knowledge initiative in India. The USAID office there is going to U.S. land grant colleges, which makes a whole lot of sense to me, and they will bring in the ag econ experts, they will bring in farm credit resources, and they also need to bring in food processors.

#### AFGHANISTAN

Now, India is going to have to wake up and lift some of the regulatory redtape burdens on businesses. I told them that we are more than willing to help if you have a system under which U.S. businesses can come in and provide assistance. But I recall the question I have asked you previously, because when I returned from Afghanistan I learned from the president of Afghanistan and people over there, including our uniformed officers, that they are not getting the agricultural assistance that they need. It was apparently a contractor had not been able to provide those resources.

It was my recommendation that USAID reprogram a small amount of that money and work in concert with our very able and dedicated land grant colleges to bring extension service personnel over. I wonder if there are funds that could be reprogrammed, because it is critical in the effort to stabilize Afghanistan when we—when, let us say, not “we,” but when the poppy fields are destroyed, the poppy farmers have an alternative source of income and some way of getting back on their feet, whether it is pomegranates or other crops that they raise.

Is there some way that money could be reprogrammed? Or what can you do on that?

Secretary RICE. Well, we do have a substantial alternative livelihood program going in Afghanistan to try to support the anti-drug efforts there. I think, Senator, at one point we talked about needing to have a strong agricultural program in Iraq as well. Of course, we, as you say, have this new initiative in India.

As I understood your intervention the last time, you were asking, though, more about the structure of what we are doing than just are we spending money; in other words, the use perhaps of extension programs and of the land grant colleges. We will take a look at whether our programs are able to fully deliver. I am actually a big fan of the land grant colleges. I know the good work that they have done in agricultural extension. They are very popular because of what they have done in India during the Green Revolution and going forward.

Again, it is something that we will certainly want to look at with our Afghan people. I do not know about the reprogramming of monies that have already been dedicated to what is a substantial program on alternative livelihoods, but it is something we would certainly want to look at in the structuring of our programs. So I think it is a very useful thought.

Senator BOND. I have done a lot of inquiry about the effectiveness of our agricultural efforts in Afghanistan, both from knowledgeable experts in agriculture from the United States, our leaders in that part of the world, and from the Afghan leadership itself. The simple answer is it is not working, and I can give you more details if we have a face to face discussion. But it is not working

and we are just trying to make sure it works, because I think everybody realizes if we cannot wean the Afghan agriculture off of its poppy production then we are going to have continuing problems.

It should not be that hard once you give the farmers on the ground an alternative crop. They are not getting that much from poppies. It is the warlords who are making the money off of it. But indigenous agriculture, if brought back, ought to be able to give them the livelihood, and we need to deal other ways with the warlords to get them out of the production business.

Well, let me leave it at that.

Secretary RICE. I would like to—we should talk about that, Senator. I would like to hear what you have heard.

Senator BOND. If you would give me a call—

Secretary RICE. I will do that, absolutely.

Senator BOND. I would be happy to discuss that with you.

Secretary RICE. Thank you.

Senator BOND. Thank you very much, Mr. Chairman, and we appreciate, Madam Secretary, all you are doing. I would say that as I have traveled around the world your efforts and the President's efforts have really inspired people in many countries. India is one of the most enthusiastic countries. They talked about the nuclear initiative that the President proposed. That was new to me, but I have done my due diligence and I agree with the President and will strongly support the President in his proposal that can provide the energy that India needs to begin to bring its population up, particularly in the rural areas. Thank you.

Secretary RICE. Thank you, Senator.

Senator MCCONNELL. Thank you, Senator Bond.

#### BURMA

Thanks to the leadership of the President and you, the world's list of pariah regimes is slightly smaller than it was when you came to office. We can safely remove from the list Iraq and Libya. Regretfully still on the list is a country that I have a great deal of interest in, that you and I have discussed on numerous occasions, and that is Burma.

Nothing ever seems to change in Burma since the democratic election in 1990, which was swept by Aung San Suu Kyi's party, the National League for Democracy. Shortly after the election Suu Kyi was put under house arrest and, except for a brief period a couple of years ago, she has remained there for 16 years.

I am told the Malaysian foreign minister went to the country recently. I do not know whether he requested to see Suu Kyi or not, but he did not. In fact, he did not even see Than Shwe, the top general.

What in your view could the United Nations do to begin to squeeze this regime? What are you and the administration doing to try to move the United Nations in that direction? If we are having problems increasing pressure against the regime, who is preventing progress toward shedding the kind of light on that regime that it well deserves and is the only way that gives us a chance to change it down the road?

Secretary RICE. Thank you, Senator. Well, absolutely Burma is one of the very worst regimes in the world. We have succeeded over

the last year in getting a discussion of Burma at the Security Council. We finally were able to remove the blocks to doing that and I think that did raise the profile for a lot of countries that perhaps did not focus as intensely on what was going on in Burma. For instance, a number of my European colleagues told me that after that discussion they went back and looked at what they had been doing on the Burma human rights dialogue and that they are now increasing their activities concerning this. So that is very helpful.

But the truth of the matter is we need more help in the region. We need from the Southeast Asians and from ASEAN, which has from time to time told us that they would engage in quiet—

Senator MCCONNELL. Other than canceling the ASEAN meeting which was originally going to be in Rangoon this year, have any of the ASEAN countries developed greater interest in this problem?

Secretary RICE. ASEAN actually issued a reasonable statement on Burma and asked that the Malay chair go to Burma. I think that the thought was that they would see Aung San Suu Kyi. I guess that that did not happen, but they continue to press to see Aung San Suu Kyi. That is a good thing.

We have pressed very hard—the Indonesian president went to Burma and I know that he did talk very directly with the Burmese about their isolation. We need actually China to be more active on this front. We have our human rights problems—

Senator MCCONNELL. India as well, I suppose.

Secretary RICE. India as well.

We have our human rights problems with China, but it is not like Burma, and we would hope that they would raise some of these issues. India is a democracy and of course should raise this, and the president of India assured us that he would. So we are working the diplomacy. We have gotten a couple of good statements. I think we have gotten renewed interest from the Europeans.

Of course, we are sanctioning everything concerning Burma. We do not allow travel and the like. So we have taken those steps.

Senator MCCONNELL. I was the author of that bill.

Secretary RICE. You were, and we use it to its fullest.

Senator MCCONNELL. We both know it is not likely to do much good unless we get more cooperation.

Secretary RICE. That is what we are trying to do.

I do think that we have, by raising the profile, we have brought other countries on board. Frankly, I think the ASEAN is somewhat embarrassed by Burma and is therefore somewhat more active.

I found myself in an unusual position up at the United Nations, Senator, during the U.N. General Assembly. We had an ASEAN meeting and I suddenly realized the Burmese foreign minister was in attendance. He launched into a discussion about how the biggest problem that was faced was drugs. I was glad actually at that point that I did have a chance to confront him directly about Burma's human rights record. So I think we have to continue to do that and we have to continue to press countries in the region to take an active and more public line concerning Burma. Places outside of the region, places like Europe, can make a difference.

Senator McCONNELL. When you meet with the Chinese and the Indians, is Burma your agenda?

Secretary RICE. Absolutely, every time. Not just my agenda. It is on the agenda for the President. He raises it as well.

#### BELARUS

Senator McCONNELL. One other country I would like to discuss. I had a chance on a trip last summer to meet with some of the potential opposition from Belarus. What do you make of the status of the opposition in the wake of the unfair election that occurred recently, and do you have any hope that that regime might change from within.

Secretary RICE. Well, I am glad that there was opposition this time, Senator. I think that is an achievement in a place that is the last really bad dictatorship in Europe. The Lukashenka Government is beyond the pale in comparison to anybody else in Europe.

The fact that there was actually a single opposition candidate was in large part thanks to efforts that we and the Europeans and the Lithuanians had made to encourage the opposition to find a single focal point around which to rally, and they did that. I was with them in Lithuania and at that time they were very fractured. They came together. They were able to put forward a single candidate. He actually did get double digits in the vote, which is extraordinary given how unfair this election was.

Senator McCONNELL. I assume there were no international observers?

Secretary RICE. There were. The OSCE was there and they declared it not free and fair. But there were observers there. That is a step forward. I am told that, despite the unfair playing field, there was a lot of press coverage, even some underground press about what is going on there. I noted today a little news item that Lukashenka has for some reason decided to put off his inaugural for a few days. We do not know the reason for that, but I do know that the opposition is planning to put up posters that continue to challenge him. People stood in the streets. They were arrested. They are still fomenting against the regime.

So it is the nascent, incipient stages of opposition in Belarus. But it is far more lively than, frankly, I would have guessed a year ago when I met with what was a very fractured opposition in Belarus. I do not believe that Lukashenka under these circumstances and under greater isolation—you know that the Europeans have put forward some further sanctions. We also will put forth some further sanctions.

I think he has been surprised at the opposition and the fact that there is opposition to him. I think it is a good thing.

#### REFORMS IN UKRAINE

Senator McCONNELL. Finally, I had a chance also to be in Ukraine last summer, and we have all followed with interest the elections there. Ukraine seems to be shifting back in the direction which it shifted away from during the Orange Revolution. I am curious as to what your observations are about that election and what it portends for the reform movement in Ukraine, a country desperately in need of genuine reform.



Secretary RICE. Well, Yanakovic, the deposed leader the last time around as a result of the Orange Revolution, did win the single largest vote count, but it was not large enough to form a government by any means. In fact, Team Orange, the two separate parts of it—part of the problem was that there was a split in the people who led the Orange Revolution. But if you put those numbers together they actually have greater vote count than Yanakovic did. Tomoshenko and Yoshenko together have a greater vote count than Yanakovic did.

So I think it is probably fair to say that the expectations of what the Orange Revolution could deliver probably were out of line with what they were actually able to deliver. They did have some splits, personality differences, policy differences, that weakened their united effort. But we will see now what happens in government formation.

I am encouraged by the fact that you still had, despite all the problems that the reform movement has had, that you still had more votes on that reform side than you had on the side of the Party of Regions, which is the Yanakovic—

Senator McCONNELL. Under their system, what does that mean, that the reformers will have a majority in the parliament?

Secretary RICE. Well, it means that now you have separate blocs and they will now have to form a government. So some combination of blocs have to come together in order to appoint the prime minister.

I should say that of course we will work with whatever government comes into being there. It is our hope that whatever government comes into being, whether that is the bloc that includes Team Orange or if it is the Yanakovic bloc, is going to be respectful of what the Ukrainian people have clearly spoken for, which is reform, independence of Ukrainian policy, and a desire to have good relations with the West.

So we will see how this turns out, but that is what is now happening. There were several blocs of parties, several parties that got votes. They now have to form a government and no single party has enough to form a government on its own.

Senator McCONNELL. Well, Madam Secretary, thank you so much for being here today.

#### ADDITIONAL SUBCOMMITTEE QUESTIONS

There will be some additional questions which will be submitted for your response in the record.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing.]

#### QUESTION SUBMITTED BY SENATOR THAD COCHRAN

*Question.* President Ellen Johnson Sirleaf addressed a Joint Session of Congress 2 weeks ago, and met with Congressional leaders and the President to discuss her reform agenda for Liberia. Africa's first woman president made a very positive impression on many of us in Washington.

After decades of civil war, Liberia has no shortage of problems. Given America's historical ties to that country and support for President Johnson Sirleaf's reform efforts, the House included an additional \$50 million for assistance for Liberia in its supplemental bill.

Madam Secretary, do you support additional funding for Liberia—a democracy dividend, if you will—and is it in America's security interests to improve governance in Liberia?

Answer. Thanks to strong Congressional support in fiscal years 2004, 2005, and 2006, the United States has been able to play the leading role in helping Liberia begin recovery from 14 years of civil war, generations of corruption, and a near-total absence of government services and of respect for human rights and the rule of law. This funding is key to helping the new government of Liberia establish the conditions for consolidating the peace and building prosperity.

Our fiscal year 2006 programs, in addition to the Administration's fiscal year 2007 request of \$89.945 million for Liberia, will accomplish our goals of reconstructing schools, hospitals, and government buildings; expanding primary health care and post-war rehabilitation and reconstruction activities; providing civilian police to the U.N. mission to monitor, mentor and reform the Liberian National Police; supporting security sector reform to create a professional, capable and fiscally sustainable Liberian military; supporting the return and reintegration of Liberian refugees and internally displaced persons; and many other activities.

We plan to sustain the long-term, multi-year commitment necessary to support Liberia's reconstruction efforts by maintaining programs and funding levels to meet Liberia's needs. We have ongoing discussions with the Liberian government about the country's needs and will continue to consider those needs in conjunction with our policies and budget priorities. We will, of course, work closely with Congress in formulating and pursuing these priorities.

As for the impact on America's security interests of improving governance in Liberia, the connection is clear. Liberia's civil conflict was driven in large measure by a history of poor governance, exclusion, and corrupt misrule. Improved governance will enhance Liberia's stability and prevent conflict; help address the needs and aspirations of Liberians; and set the foundation for investment and economic growth. Accomplishing these goals will clearly advance America's security interests in West Africa.

---

#### QUESTIONS SUBMITTED BY SENATOR RICHARD J. DURBIN

*Question.* Reports of executions in Iraq continue to grow. The New York Times this weekend, described a pet shop owner, a Sunni, seized by gunmen. His body was found the next morning at a sewage treatment plant. He had been hog-tied, his bones broken, his face and legs drilled with power tools, and finally he had been shot. In the last month, hundreds of men have been kidnapped, tortured, and executed in Baghdad. The city's homicide rate has tripled from 11 to 33 a day, according to military reports. The period from March 7 to March 21 was typically brutal: at least 191 bodies, many mutilated, surfaced in garbage bins, drainage ditches, minibuses, and pickup trucks.

Former Prime Minister Ayad Allawi has said, "If this is not civil war, then God knows what civil war is." Prime Minister Jaafari has blamed "foreign terrorists" for these attacks on Sunni civilians rather than Shiite-militias; but he depends on the political support of those militias."

Where does the Administration draw the line between sectarian violence and civil war? Whichever term you prefer, how does this growing violence, these waves of executions, affect U.S. policy in Iraq?

Answer. The increase in sectarian violence is a major concern to us and is one of the prime issues raised at every level with Iraqi governmental and political leaders. Nonetheless, we do not see this as a civil war. In Iraq, only terrorist leader Abu Musab al-Zarqawi and his Al-Qaida in Iraq organization is calling for civil war.

Given the large turnout in Iraq's elections and the broader support expressed for the efforts to form a government inclusive of all Iraqis, we believe that Iraq can and will overcome its ethnic and religious differences. Indeed, Iraq's political leaders are committed to a government of national unity. Progress on the formation of that government of national unity continues despite an upsurge sectarian violence that began with the February 22, 2006 bombing of the Golden Mosque in Samarra. Those who attacked the Golden Mosque sought to exploit divisions among the Iraqi public and the political leadership to foment and prolong sectarian strife. Iraqi government and religious leaders alike, in a demonstration of national unity, condemned the attacks, called for an end to sectarian unrest, and for security forces free from sectarian and militia loyalties.

The United States and international community joined Iraqis in denouncing the attacks and underscored the importance of national unity and defying the terrorists and extremists who seek to provoke such conflict. The USG has been in touch with

Iraqi leaders to urge calm and will do our utmost to support the Iraqi government's efforts to achieve it.

The violence in Iraq only underscores the importance of our mission there. Helping the Iraqi Security Forces develop their capacity to secure their own country while carrying out a campaign to defeat terrorists and neutralize the insurgency is and continues to be our objective.

*Question.* Russia has become an increasingly difficult partner for the Administration, in Europe, in the countries Russia thinks of as its "near abroad," and beyond. The Administration has worked to strengthen ties with Russia, but the effort seems to have turned sour. What went wrong? The Russian government has tightened its grip on non-governmental organizations at home. It has a mixed record in dealing with Iraq and Iran, and Russian authorities may have passed sensitive military information to Saddam's government before the start of military operations in Iraq. These are matters of serious concern, as are Russia's outreach to Hamas, and its support for the undemocratic regime in Belarus. How does the Administration intend to face these challenges? What trajectory do you see the U.S.-Russian relationship following today? Does Russia still merit a place at the table with the members of the G8?

*Answer.* The United States is deeply concerned and candid about problems in United States-Russia relations and United States-Russia differences. These include the direction of Russia's internal evolution, including democracy, and many aspects of Russia's relations with its neighbors.

In discussions with Russian officials, we have been frank about our differences and concerns. For example, we made clear our concerns about the new NGO law, through both diplomatic channels and public fora as the bill was considered by the Russian Duma. We believe that our attention moved the Government of Russia to modify that bill. Now that the bill is law, we remain concerned about its potential impact on Russian civil society. We have pushed for fair, transparent, and consistent implementation of the law and intend to monitor the law's implementation closely. We will continue to press for robust democratic development in Russia more broadly.

On Belarus, the United States has acted in concert with our European partners to press for democratic elections and to protest the fraudulent ballot that took place March 19 and the subsequent crackdown against opposition leaders and other Belarusian citizens. We have also expressed our disappointment with Russia's defense of these fraudulent elections and its condemnation of the performance of the OSCE Monitoring Mission, which documented that the elections were not free or fair. We have urged Russia to take a more constructive approach by pressing Belarus towards democratic reform and urging it to fulfill its OSCE commitments.

President Bush has emphasized the importance of historical perspective: history is on the side of freedom. Speaking at Freedom House March 29, he reminded us that the 11<sup>th</sup> advance of freedom is the story of our time," and that "it's an interest of a country like Russia to understand and welcome democracy." That is why President Bush is committed to maintaining a frank discussion with Russia, aware that this path may not yield immediate solutions, but remains far more promising than seeking to isolate Russia.

In this context, we continue to believe that attending the G8 Summit, a forum in which we advance our interests on major global issues such as energy security, is the right course of action. As President Bush has said: "I think that it would be a mistake for the United States not to go to the G8. . . . I need to be in a position where I can sit down with [President Putin] and be very frank about our concerns."

A balanced and honest view of United States-Russian relations must recognize areas of progress, too. It is in our interest to continue to seek cooperation with Russia, including on counter-terrorism, nonproliferation, Iran and the Middle East.

On Iran, Russia has joined the international community in seeking an end to Tehran's pursuit of nuclear weapons, most recently by joining other members of the U.N. Security Council in issuing a March 31 Presidential Statement that expresses support for the IAEA's call on Iran to suspend all enrichment-related activities and return to negotiations.

On Iraq and the possible compromise of military information, I have made clear to Russian officials, both publicly and privately, that the United States takes these reports seriously, we hope Russia does also, and will respond to our inquiries with a serious answer.

*Question.* A growing body of literature points to the importance of nutrition in preventing progression from HIV to AIDS and in supporting the care of AIDS patients. Seven out of 15 focus countries under the President's Emergency Plan for AIDS Relief (PEPFAR) are food insecure. PEPFAR has begun implementing 6-month bridge programs for individuals receiving ARVs, but their nutritional needs

will likely persist or reappear after this 6-month period. What is the U.S. strategy to integrate food security and nutrition programs with our HIV/AIDS treatment programs? How are we coordinating with the World Food Programme, USAID's Food for Peace, and private voluntary organizations to integrate food and ARV programs?

Answer. The areas that are affected by HIV have long been plagued by systemic and chronic food insecurity. Food insecurity and consequent nutritional problems do play a role in every aspect of the Emergency Plan. However, factors contributing to the resolution of food insecurity are extremely complex, and largely beyond the scope of the Emergency Plan. Other organizations and international partners have a strong comparative advantage in the area of food assistance, agriculture and food security. Therefore, a key precept of interventions supported by the Emergency Plan is to remain focused on HIV/AIDS and the factors that may increase food/nutrition needs for people living with HIV/AIDS (PLWHA), and thus to provide support for food only in limited circumstances, while leveraging other resources when possible.

The Emergency Plan is committed to evidence-based best practices in providing food and nutritional support for PLWHA receiving care and treatment. Recognizing that this is too large and complex a problem for any one agency to handle on its own, the Office of the Global AIDS Coordinator (S/GAC) will partner with other U.S. Government agencies, namely USAID, USDA, HHS, and Peace Corps, as well as relevant U.N. agencies and the private sector, to leverage resources to carry out targeted, therapeutic and supplementary feeding, micronutrient supplementation, and food security and livelihood support.

Interventions to address the food and nutrition needs of PLWHA work at multiple levels and involve a variety of partners. The Emergency Plan strategy considers specific objectives, such as: to improve quantity and quality of diet among PLWHA and Orphans and Vulnerable Children (OVC); build or replenish body stores of nutrients; prevent or stabilize weight loss; preserve and gain muscle mass; prevent diarrhea and other infections; speed recuperation from HIV-related infections; and prepare for and manage AIDS-related symptoms that affect food consumption and nutrient utilization.

We have established an inter-agency working group to identify program models and comparative advantages in this area. Membership includes USAID, USDA, HHS, and Peace Corps. And we are consulting with potential partners, such as the World Food Program, Food and Agriculture Organization, WHO and UNICEF, as well as PVOs and others from the private sector. A report to Congress detailing the Emergency Plan food and nutrition strategy is currently in development, and will be published in May 2006.

*Question.* Secretary Rice has said that the Department of State will forward deployment officials to high priority cities and countries. How does the Department plan to provide adequate security for these forward-deployed officials, particularly in "presence posts" where it will establish only minimal infrastructure?

How are the departments of State and Defense providing for the security of personnel serving in provincial reconstruction teams in Afghanistan and Iraq? Are these teams getting the "force protection" support they need to do their jobs effectively?

Answer. The Bureau of Diplomatic Security is currently participating in an inter-departmental working group that is studying the concept of American Presence Posts (APP) and developing guidelines and procedures for opening APPs. The Secure Embassy Construction and Counterterrorism Act (SECCA) of 1999 (Public Law 106-113) requires that any new diplomatic facility meet collocation and 100-foot-setback statutory requirements. The collocation, setback, and waiver requirements uniformly apply to embassies, consulates, and American Presence Posts (APPs). Once a post has identified a potential APP site, the Regional Security Officer (RSO), in coordination with DS Headquarters and the Bureau of Overseas Buildings Operations (OBO), will conduct a physical security survey of the location to determine security requirements. APP sites must adhere to or be in the final stages of compliance with the Overseas Security Policy Board (OSPB) standards prior to occupancy. Additionally, waivers to SECCA and exceptions to OSPB standards must be obtained for any site deficiencies that cannot be remedied.

The Department of State continues to provide security for Provincial Reconstruction Teams (PRTs) based in Regional Embassy Offices (REOs) throughout Iraq. The substantial security features of REOs include, but are not limited to, perimeter security in the form of "T-walls," access control measures, anti-ram barriers, mylar on office windows, sandbags on housing trailers, and bunkers for use during sustained attacks. The amount requested in the Iraq supplemental under consideration by Congress will provide funding for perimeter security upgrades and overhead cover for housing and common use facilities. Extensive local guard programs, protection details, and an armored vehicle program support State Department personnel in the

execution of their mission off compound. The Department of Defense is responsible for security at PRTs established on U.S. military forward operating bases (FOBs) and incorporates similar security programs for the protection of PRT personnel.

At the present time, there are at least 752 U.S. military and civilian personnel assigned to 23 PRTs located throughout Afghanistan. There are currently nine PRTs under International Security Assistance Forces (ISAF) responsibility and fourteen under the responsibility of Operation Enduring Freedom (U.S./Coalition Forces). Force protection for U.S. civilian personnel assigned to PRTs is the responsibility of the military commander of the PRT. Force protection and security responsibilities for U.S. civilian personnel assigned to PRTs under U.S. military control are outlined in an MOU between Combined/Joint Task Force-180 (CJTF-180) and the U.S. Department of State signed in 2002.

No formal force protection/security agreement exists for U.S. civilian officers assigned to ISAF/NATO controlled PRTs. However, informally it is understood that U.S. personnel receive the same level of force protection as required by the host nation's senior civilian PRT staff.

#### SUBCOMMITTEE RECESS

Senator McCONNELL. Thank you all very much. The subcommittee will stand in recess to reconvene at 2:30 p.m. on Thursday, June 8, in room SD-124. At that time we will hear testimony from the Honorable Randall L. Tobias, Administrator, United States Agency for International Development.

[Whereupon, at 3:42 p.m., Thursday, March 28, the subcommittee was recessed, to reconvene at 2:30 p.m., Thursday, June 8.]